GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3475
ANSWERED ON:14.08.2001
INDUSTRIES IN RURAL AREAS .
DILIP KUMAR MANSUKHLAL GANDHI

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government have promoted domestic industries in the rural areas of the country in view of increasing poverty there;

(b) if so, the details thereof, State/Union Territory-wise with financial involvement ; and

(c) if not, the reasons therefor?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a)&(b): The Government are implementing various programmes for the development of Khadi and Village Industries including agro and rural industries. The Government, through the Khadi and Village Industries Commission (KVIC) provide technical, marketing and financial assistance under the programmes for the development of Khadi and Village industries. Under the Khadi Programme, financial assistance is provided by the Government to the implementing agencies in the form of rebate and subsidy. For the development of village industries, the KVIC is implementing the Rural Employment Generation Programme (REGP) in the entire country under which financial assistance is provided for setting up khadi and village industrial units in rural areas. Under this programme, the KVIC provides Margin Money Assistance at the rate of 25% of the project cost for project upto Rs.10 lakhsFor the project above Rs.10 lakhs and upto Rs.25 lakhs, the rate of margin money is 25% of Rs.10 lakhsplus 10% on remaining cost of the project. In the case of weaker sections viz. Scheduled Castes (SC), Scheduled Tribes (ST), Women and Physically Handicapped and Ex-Servicemen and Minority Community beneficiary/ institution and for hill, border and tribal areas, North East Region, Sikkim, Andaman & Nicobar Island, Lakshadweep, the margin money grant is 30% of the project cost upto Rs.10 lakhs but above this amount and upto Rs.25 lakhs it is 10% of the remaining cost of the project.

The Government of India has announced a new package on 14th May, 2001, for strengthening of Khadi and Village Industries sector with the prime objectives of creating more jobs in rural areas and empowering the women and backward classes in India. The main features of this package consist of Rebate Policy for five years, options of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities measures to promote marketing, brand building, cluster development, focus on core areas and provision of additional working capital.

The details of grants & loans disbursed by the KVIC to various States/UTs during 1997-98 to 1999-2000 are given in the Annexure-I & II respectively.

(c): Does not arise.

ANNEXURE - I

Annexure referred to in reply to part (a) & (b) of the Lok Sabha Unstarred Question No.3475 admitted for reply on 14.8.2001

DISBURSEMENT OF GRANTS TO VARIOUS STATES/UNION TERRITORIES BY KVIC DURING THE YEARS 1997-98 TO 2000

(Rs. in lakhs)

Sr. No.	State/U.T.	1997-98		1998-99		1999-2000	
		Khadi	V.I.	Khadi	V.I.	Khadi	V.I.
STATE							
1.	Andhra Pradesh	174.29	737.29	275.35	340.75	627.53	705.15

2. Arunachal Pradesh 0.87 0.00 0.00 0.00 5.40 0.50

3. Assam 35.06 6.30 59.79 6.72 86.87 0.77

4. Bihar 748.45 4.00 1196.53 33.96 305.36 44.48

5. Goa 1.00 9.84 0.00 40.36 0.79
6. Gujarat 1387.00 94.71 2554.96 268.56 1585.85 12.96

7 Haryana 592.79 52.25 652.94 185.23 414.44 239.42

8. Himachal Pradesh 123.30 153.97 76.51 272.94 445.99 26.37

9. J & K 81.92 40.53 182.50 352.13 112.96 20.77
10. Karnataka 438.63 561.35 1008.73 1228.32 426.31 756.44
11. Kerala 322.60 15.58 205.45 395.94 762.62 357.98
12. M.P. 367.27 319.06 178.49 1319.02 595.37 23.32
13. Maharashtra 32.93 285.31 310.59 308.97 419.17 444.24
14. Manipur 0.00 281.51 0.00 266.93 0.40 169.70
15. Meghalaya 0.00 0.00 2.36 44.93 7.42 6.50
16. Mizoram 0.00 49.63 0.02 344.39 0.99 155.74
17. Nagaland 7.18 90.00 5.37 396.94 17.48 5.38
18. Orissa 30.99 60.50 172.53 87.02 116.61 161.67
19. Punjab 619.41 124.79 345.73 605.12 967.26 158.33
20. Rajasthan 105.26 314.15 1490.71 461.80 879.73 319.85
21. Sikkim 0.00 0.00 0.00 0.00
22. Tamilnadu 1268.80 58.77 2690.76 414.10 3874.13 262.07
23. Tripura 0.02 0.00 0.50 0.00 1.91
24. Uttar Pradesh 1947.68 77.71 4201.30 1454.00 5153.75 514.17
25. West Bengal 235.00 7.60 595.10 20.49 325.78 6.36

U.T.

26. Andaman & Nicobar 0.00 0.00 0.00 0.00 4.36
27. Chandigarh 0.00 0.00 0.00 0.00
28. Dadra & Nagar Haveli 0.00 0.00 0.00 0.00
29. NCT of Delhi 22.29 10.74 669.27 31.34 354.06 72.96
30. Daman & Diu 0.00 0.00 0.00 0.00
31. Pondicherry 0.00 0.00 0.00 26.23 0.23 0.50
32. Lakshdweep 0.00 0.00 0.39 34.64
33. Departmental 217.35 21567.01 752.48 7707.43 1169.63 10018.21
34. Other schemes 0.00 0.00 0.00 0.00

Total 8760.09 24922.60 17628.36 16648.26 18656.13 14485.11

ANNEXURE - II

Annexure referred to in reply to part (a) & (b) of the Lok Sabha Unstarred Question No.3475 admitted for reply on 14.8.2001

DISBURSEMENT OF LOANS TO VARIOUS STATES/UNION TERRITORIES BY KVIC DURING THE YEARS 1997-98 TO 1999-2000

(Rs. in lakhs)

Sr. No. State/U.T. 1997-98 1998-99 1999-2000

	Khadi	V.I.	Khadi	V.I.	Khadi	V.I.
STATE						
1. Andhra Pradesh	63.02	17.68	19.76	31.10	49.29	3.96
2. Arunachal Pradesh	0.00	0.00	0.00	0.00	0.00	
3. Assam	19.43	0.37	0.79	2.00	106.17	13.02
4. Bihar	30.17	0.14	53.83	7.02	26.37	
5. Goa	0.00	31.32	0.00	1.55		
6. Gujarat	7.00	13.37	43.34	29.13	19.38	
7 Haryana	18.75	219.36	2.10	8.88	84.71	8.00
8. Himachal Pradesh	0.00	0.00	6.52	4.33	4.78	
9. J & K	0.38	0.00	6.61	0.52		
10. Karnataka	170.75	68.05	102.75	61.58	43.16	0.68
11. Kerala	3.15	1.46	35.48	13.68	15.49	
12. M.P.	1.21	48.88	8.18	12.11	14.75	
13. Maharashtra	10.84	48.68	7.62	41.96	8.77	15.66
14. Manipur	0.00	0.00	0.00	0.34	11.86	0.42
15. Meghalaya	0.00	0.00	0.00	0.86	0.23	
16. Mizoram	0.00	0.00	0.10	0.00		
17. Nagaland	0.00	2.00	0.00	0.00	15.41	
18. Orissa	18.95	3.87	6.10	8.34	3.20	2.30
19. Punjab	0.00	2.50	11.45	1.21	60.94	5.00
20. Rajasthan	28.59	26.21	19.70	23.60	34.69	1.49
21. Sikkim	0.00	0.00	0.00	0.00		
22. Tamilnadu	0.25	26.57	42.27	37.41	22.45	8.06
23. Tripura	0.00	0.00	0.00	-		
24. Uttar Pradesh	61.81	135.90	332.88	191.10	64.25	36.54
25. West Bengal	43.15	4.97	36.28	48.54	13.92	1.00
U.T.						
26. Andaman & Nicobar	0.00	0.00	0.00	0.00		
27. Chandigarh	0.00	0.00	0.00	0.00		
28. Dadra & Nagar Haveli	0.00	0.00	0.00	0.00		
29. NCT of Delhi	0.00	0.00	1.65	10.11	5.00	
30. Daman & Diu	0.00	0.00	0.00	0.00		
31. Pondicherry	0.00	0.00	0.00	1.29	4w.20	
32. Lakshdweep	0.00	0.00	0.00	0.00		
33. Departmental	0.00	0.00	0.00	7.67	30.71	
34. Other schemes	0.00	0.00	0.00	0.00		
Total	477.45	651.33	737.41	544.33	609.02	126.84